

THE LEONARD LETTER

*A weekly electronic newsletter about
California government, business and taxes
Bill Leonard, Member
State Board of Equalization*

May 17, 2004

QUOTE OF THE WEEK

“Work as if you were to live 100 years; pray as if you were to die tomorrow.” --- Benjamin Franklin (May 1757)

TAX TIPS

*****Senior, Disabled & Blind Property Tax Postponement*****

Last week I noted that the filing period is now open for seniors, the disabled and the blind to apply for property tax postponement. Qualifications and application forms are available on-line at <http://www.sco.ca.gov/col/taxinfo/ptp/index.shtml>. As I thought about this program during the last week, I realized that some people may need help in completing the forms. If you need such assistance, or know of someone who does, please contact my office at (916)445-2181 and my staff will be happy to help or direct you to a community-based resource that can do so.

*****Where's My Refund?*****

If you mailed your tax returns by the April 15th deadline but still have not seen your refund check, you may want to check on-line for the status of your refunds. For California income tax refunds, go to <http://www.ftb.ca.gov/online/refund/index.asp>. For federal income tax refunds, go to <http://www.irs.gov/individuals/article/0,,id=96596,00.html>. Both sites require you to enter personal information, including your Social Security Number and the amount of refund you filed.

*****New Leonard Staff*****

I am privileged to have a dedicated staff of professionals who help me serve the taxpayers of this state. In the last few weeks there have been two changes in my staff. First, I congratulate Tim Treichelt, previously my advisor on property and special tax matters, who took a position with the Board's legal staff. I look forward to continuing to

work with Tim and know that he will continue to bring good judgement and fair mindedness to tax issues in that capacity. Second, I welcome aboard longtime legislative staffer Bill Cardoza. I have known Bill for years and long admired his work for other Republican legislators and the Assembly Republican Caucus policy shop. Now Bill will be working with me at the Board on a variety of taxpayer issues.

UNDER THE DOME

*****Bad Quote of the Week*****

Senate President Pro Tem John Burton, D-San Francisco, said this week, "I'm only one of 120 members of the state legislature, but my mother didn't bring me into this world to pick on poor people in order to solve problems that were not created by them."

Well, John, my mother did not bring me into this world to raise taxes on Californians in order to solve problems not created by them. I do agree with Senator Burton that the poor did not cause the state's fiscal problems. However, the welfare bureaucracy that gets bigger budgets when the poor population grows did contribute to the creation of the state's fiscal problems along with the legislators and governors who approved these massive expansions. And that is where the budget needs to be fixed.

*****A Hero's Tribute*****

There is a political theory that Democrats are born to politics and Republicans only move into politics later in life. While there are some exceptions, this truism has a lot of validity. I was reminded of that while attending the celebration of life services for Senator Pete Knight. He was a hero. He is my hero. He served his country as an Air Force fighter pilot, surviving the skies over Vietnam and coming home to what could have been a quiet life. Yet he moved from the dangers of enemy fire to the even more hazardous challenge of experimental aircraft. I have had the great joy to have experienced checkout rides in two production jet fighters (F-4 and F-16), and I can tell you that the comfort I took in knowing that others had already flown these overpowered, minimal lift, and temperamental aircraft was all that allowed me to be strapped in the seat. I cannot imagine climbing into the cockpit of a rocket powered airplane (the name alone sounds dangerous) that had never been flown before. Colonel Pete Knight did that on a regular basis. He did it faster than humans had ever gone. He flew it so high that the sky turned black and the atmosphere could not support the wings of the plane.

What do you do for kicks after you set a world record that still has not been broken? You run for Mayor of Palmdale, then the State Assembly, and at last the California State Senate. While he was not born to politics, Pete Knight brought with him the confidence, courage and integrity that he showed over enemy airspace and in outer space. I have served in public office with several hundred legislators-- some of them were born to politics, and some of them arrived after successful first careers. But none of them were

national heroes except for Pete Knight. He will be missed for unflinching leadership in defense of the family.

*****California History*****

Senator Knight was the first California state Senator to die in office since the 1970s. I find this fact intriguing even though the Senate is a small legislative body at 40 members. With all the hands -- dirty and clean -- that Senators shake, one might think that the casualty rate would be higher. And when I was first elected to the Senate in 1988, at the age of 41, I was the youngest by decades. Some wags called it the old folks home and not without some evidence that it was exactly that. Yet something about the challenge of the job, the applause of supporters, the zest for the debate, or the goals to achieve seem to keep Senators healthier and younger than their years might suggest.

*****Cuts or Increases?*****

According to Cal-Tax review of the Governor's May Revise Budget, state spending in the coming year will increase by just over \$1.5 billion. Again, when many interest groups talk about "cuts," they are really saying that the increase they expected was simply not as much as they hoped.

*****Budget Watch*****

That loud sound you hear is that of Democrat legislators gnashing their teeth because Governor Schwarzenegger outmaneuvered them on the budget. The new budget proposal generally only cuts programs where the beneficiaries have already agreed with the Governor to absorb numbers lower than they desired. While many will (and perhaps should) question the wisdom of making another round of temporary cuts with promises of restoration during the next few years, the truth is that the state budget is only a one year plan. No one is voting on what the state's finances will look like in 2006. The budget vote is on a spending plan for July 1, 2004 through June 30, 2005. Given the craftiness of the new budget proposal, there is no excuse for the Legislature to not pass this budget on time by June 15th. The next 30 days should be fun to watch as the majority Democrats in the legislature try to find a budget issue that has any traction with the press or public. The Governor likes to play chess. He just put the legislature in check and they have 30 days before they resign to the necessity of voting for his budget.

BOE AND LEGISLATIVE DATES

May 16-22, 2006 --- Small Business Week in California see <http://www.billleonard.org/governor.asp> to read the Governor's proclamation

May 24, 2004 --- First prepayment deadline for 2nd quarter sales and use tax accounts

May 25-26, 2004 --- BoE meeting in Sacramento

May 28, 2004 --- Last day for Assembly to pass Assembly bills and for the Senate to pass Senate bills.

May 31, 2004 --- Memorial Day

June 15, 2004 --- Budget bill must be passed by midnight

June 15, 2004 --- Quarterly due date for estimated income taxes

June 15-17, 2004 --- BoE meeting in Culver City

June 19, 2004 --- Juneteenth Celebration of the historic time that slaves in Texas received the word that President Lincoln had issued the Emancipation Proclamation on January 1st, 1863 making them free.

NOTABLE DATES/ HISTORY

May 17, 1804 --- Lewis & Clark began exploration of the Louisiana Purchase

May 18, 1652 --- A law was passed in Rhode Island, the first to make slavery illegal in North America.

May 18, 1860 --- Republican Party nominated Abraham Lincoln for president

May 18, 1896 --- U.S. Supreme Court affirmed “separate but equal” policy (Plessy v Ferguson)

May 18, 1965 --- Gene Roddenberry suggested 16 names including Kirk for Star Trek Captain

May 18, 1980 --- Mt. Saint Helens erupted in Washington state, killing 57 people and doing \$3 billion in damage

May 19, 1795 --- Josiah Bartlett U.S. physician/judge who signed the Declaration of Independence), died at 65

May 19, 1906 --- Federated Boys' Club (Boys' Club of America) organized

May 19, 1911 --- The first American criminal conviction that was based on fingerprint evidence occurred in New York City.

May 20, 1506 --- Christopher Columbus died in poverty in Spain at 55

May 20, 1639 --- Dorchester MA, formed first school funded by local taxes

May 20, 1961 --- White mob attacks "Freedom Riders" in Montgomery, AL

May 21, 1881 --- The American Red Cross founded by Clara Barton

May 22, 1973 --- Richard Nixon confessed his role in Watergate cover-up

May 23, 1989 --- An estimated one million people in Beijing (and tens of thousands in other Chinese cities) marched to demand the resignation of Premier Li Peng

GENERAL TAX INFORMATION

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115
TDD service for the hearing impaired
TDD phones: 800-735-2929
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office, call toll-free 1-888-324-2798.

HOW TO CONTACT ME

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